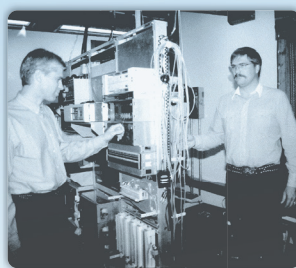


Rushmore Electric Power Cooperative

75th ANNUAL REPORT



History in Every Line.
Service in Every Day.



75th ANNUAL MEETING

AGENDA

8:00 a.m. – *Registration*

9:00 a.m. – *Call to Order*

Cooperative Business Meeting & Election of Directors

9:00 a.m. to 10:00 a.m.

Secretary's Report – Justin Brickner

Treasurer's Report – Dan Hefner

President's Report – Dwight Rossow

CEO/GM's Report – Kory Hammerbeck

Break

Industry Reports

10:15 a.m. to 12:00 p.m.

Chris Lawrence, Executive Director – Mid-West Electric Consumers Association

Topic: *General Update*

Break

Todd Brickhouse, CEO – Basin Electric Power Cooperative

Topic: *General Update*

Lunch at Noon

A Message from the President & CEO/GM

Seventy-five years ago, the founders (you, the membership) of Rushmore Electric Power Cooperative built more than power lines – they built a cooperative family rooted in service, innovation, and a commitment to helping our farmers, ranchers, and rural communities thrive. Today, that same dedication continues to guide us as we honor our history while preparing for the future.

This year's theme, *"History in every line. Service in every day."* reflects both where we came from and the responsibility we carry forward every day. Across our organization, that commitment was evident throughout 2025. From record load management savings of over \$3.4 million, to major investments in cybersecurity and communications infrastructure, to progress on GRIP-funded reliability and wildfire mitigation projects, our employees continued working to strengthen the systems our members depend on.

At the same time, we remained focused on the communities we serve. Whether through our "This is Co-op Country" campaign, the growing Ag Appreciation event, exceptional radio and communication support for our co-ops and their communities, or the personalized touch provided by our Federal Credit Union, the cooperative difference remains at the center of everything we do.

WAPA

WAPA had a 2.09 mill increase in 2025, resulting in an increased expense of about \$382,000 to Rushmore Electric. Additionally, WAPA will have an estimated 1.05 mill increase in 2026, resulting in an increased expense of about \$190,000. WAPA's Renewable Energy Credit (REC) program to Rushmore and, in turn, our cooperative members resulted in 144,007 RECs in 2025. Lastly, Lloyd Linke retired in the Fall of 2025, and Gayle Nansel was appointed the Acting UGP Regional Manager. We wish Lloyd the best in his retirement.

BASIN ELECTRIC

Basin implemented a Large Load Rate program in 2025. This program created four large load-based buckets with different load thresholds, defined by specific load criteria. The lawsuit involving McKenzie in North Dakota continued throughout 2025. Also in 2025, construction was completed on Pioneer Generation Station 4, a 583 MW natural gas plant located near Williston, ND. In addition, construction has begun on the Bison Generation Station, which will have a total output of 1,470 MW upon completion. The project includes approximately \$4 billion in capital expenditures, with 700 MW expected to be operational in 2030 and the remaining capacity coming online in 2031. Once complete, Bison Generation Station will be the largest power plant ever built by Basin Electric. SPP's planning reserve margin is projected to increase to 36% during the winter months, resulting in an estimated ~700 MW impact on Basin. SPP has

also issued a "Notice to Construct" for a new 345kV transmission line from Laramie River Station, WY, to Belfield, ND. The project includes 439 miles of transmission infrastructure, carries an estimated cost of \$1.6 billion, and is projected to be placed in service by the early to mid 2030s.

Below are some additional capital and credit figures:

- Patronage capital retirement, 2008 (31%) and 2009 (41.38%) – \$2,755,477.09 to Rushmore
- \$629,165 in REC payments to Rushmore vs. \$431,117 in 2024

LOAD MANAGEMENT & DEMAND RESPONSE

In 2025, load management capacity continued to increase, with 12,884 loads now under control, up from 12,266 in 2024. The total estimated power cost savings in 2025 were \$3,441,671, which is up \$277,939 from 2024. Since the program's inception, the estimated total power cost savings (through December 2025) are \$30,453,865!

RUSHMORE INTERNAL ITEMS

Some new faces have joined the team in the past year, and others have departed. Jasmyn Old Lodge (REPC), Ryan Ruffedt (Engineering - Intern), Anthony Gordon (Engineering/GIS), Jessie Vickerman (REFCU), and Colin Beck (Engineering - Intern) joined in 2025 and early 2026. Betty Harris (REPC) and Darci Lanam (REPC) retired in the first part of 2025. We wish both of them the best.

Electric margins were at \$313,434.30 for 2025. Engineering margins were down slightly at \$10,271.93, while RCI's margins were up by \$51,947.51 for the year.

Lastly, here are the load data comparison points for 2025 vs. 2024.

- 2025 Coincident Peak Demand of 290 MW, down 4.61% from 304 MW in 2024.
- 2025 Energy Sales were 1,281,378 MWh, up 3.59% over 2024.
- Rates to the members went up 9.23% from 61.21 mills/kWh to 66.86 mills/kWh.

As we celebrate this milestone year, I want to thank our employees, board members, member cooperatives, and communities for the trust and partnership that have made 75 years possible. Because of the cooperative values that built Rushmore Electric, I am confident our best chapters are still ahead.

Board of Directors & CEO/GM



Dwight Rossow
President
Cam Wal Electric Cooperative



Dave Lindblom
Vice President
Black Hills Electric Cooperative



Justin Brickner
Secretary
Cherry-Todd Electric Cooperative



Daniel Hefner
Treasurer
Butte Electric Cooperative



Jamie Lewis
Director
West River Electric Association
Federated Director



Kerry McLellan
Director
Moreau-Grand Electric Cooperative
SDREA Director



Mike McQuiston
Director
West Central Electric Cooperative
Basin Electric Director



Tom Schlack
Director
Lacreek Electric Association



Kory Hammerbeck
CEO/General Manager
Rushmore Electric



Member Cooperatives	President	General Manager	Number of Employees	Residential Meters	Commercial Meters
Black Hills Electric Cooperative	David Lindblom	Walker Witt	28	9,844	1,637
Butte Electric Cooperative	James Mortenson	Matt Sleep	26	5,792	1,078
Cam Wal Electric Cooperative	Dwight Rossow	Wally Grage	13	2,272	331
Cherry-Todd Electric Cooperative	Shawn Bordeaux	Tim Grablander, PE	23	7,458	619
Lacreek Electric Association	Brent Ireland	Josh Fanning	31	4,683	568
Moreau-Grand Electric Cooperative	Ryan Maher	Kent Larson	23	6,154	989
West Central Electric Cooperative	Shad Riggle	Jeff Birkeland	29	5,404	1,367
West River Electric Association	Andy Moon	Robert Raker	58	19,041	2,291
			231	60,648	8,880



Energy	Peak Demands	Purchases (Before Credits)	Average Cost (Before Credits)	Purchases (After Credits)	Average Cost (After Credits)
178,848 MWh	52,094 kW	\$12,539,236	70.11 Mills	\$12,530,081	70.06 Mills
125,179 MWh	29,184 kW	\$8,896,583	71.13 Mills	\$8,896,583	71.13 Mills
67,450 MWh	12,711 kW	\$4,233,825	62.77 Mills	\$4,233,825	62.77 Mills
147,316 MWh	29,401 kW	\$9,542,382	64.78 Mills	\$8,709,680	59.12 Mills
141,209 MWh	31,921 kW	\$9,807,927	69.46 Mills	\$8,504,628	60.23 Mills
111,630 MWh	23,450 kW	\$7,811,460	69.98 Mills	\$7,228,923	64.76 Mills
142,490 MWh	33,969 kW	\$9,721,309	68.22 Mills	\$9,586,140	67.28 Mills
367,360 MWh	79,034 kW	\$25,999,327	70.77 Mills	\$25,987,340	70.74 Mills
1,281,480 MWh	290,444 kW	\$88,552,050	69.11 Mills	\$85,677,201	66.86 Mills

Marketing & Member Services

Seventy-five years in business is no small milestone. It's something worth celebrating – but just as importantly, it's something worth reflecting on. That's why we chose the theme, **"History in every line. Service in every day."** It speaks not only to where we've been, but to the values that continue to guide us forward.

Reviewing past annual meeting reports, a quote from Larry Jacobson, Rushmore's General Manager from 1954 to 1966, stood out as just as relevant today as it was then. He wrote:

"Accomplishments of the past have resulted from the cooperative effort... working together to do things and to fight battles we could not win alone. This formula has brought success to our members in the past and should continue to be our guide to a successful future."

Those words capture the very heart of what it means to be a cooperative - neighbors working together, pooling resources, and standing stronger collectively than we ever could on our own. Larry's message still rings true today, and it's that same spirit that gives us confidence as we look ahead, not just to the next year, but to the next 75 years and beyond.

The Member Services team, in conjunction with Odney Media and Marketing Agency and Basin Electric, developed, shot, and launched a brand-new ad campaign in the second half of 2025. Titled "This is Co-op Country," it highlighted the connection between each Cooperative and the people, the land, and the communities they serve. Additionally, a full redesign and modernization of Rushmore's website occurred in 2025. This was long overdue, and a big thanks to Rob Taylor for the time he spent – it turned out great!

We held the 3rd Annual Ag Appreciation event in August at the Central States Fair. The event continues to grow, with over 400 attendees. We honored West Central Electric Board Member and community leader Marty Hansen with the "Rural Neighbor Award." Additionally, we produced a new High Voltage Demo video with the help of SDREA, which was very well received and something that will be utilized statewide.

IT

The IT department's largest project in 2025 was implementing Cyber Vision within our Operational Technology environment. This initiative was funded through the ICS-REC program and represents a major step forward in strengthening our cybersecurity posture. Had Rushmore funded this initiative on its own, it would have cost the membership more than \$1 million over multiple years to replace the equipment.

As part of the project, we replaced 32 routers and 34 switches across our substations and tower facilities. The

new equipment includes integrated network sensors that report to a centralized server. This gives Rushmore's IT department full visibility into our OT environment – enabling real-time threat detection and response, as well as risk-based vulnerability management – all through a single, centralized dashboard.

Another key initiative was the implementation of a backup high-speed microwave link to protect against fiber communication outages. With the significant construction along Cambell Street and in our parking lot, our fiber infrastructure was at risk. Fortunately, there was no disruption, but we are now prepared with a reliable backup solution to ensure uninterrupted connectivity.

In 2025, we also completed many computer upgrades due to the end of life for Windows 10 in October. Keeping our systems current is critical to maintaining strong security protections – both for the members we serve and for us. Overall, 2025 was a year of strengthening infrastructure, enhancing security, and increasing reliability across our organization.

Operations & SCADA

Additionally in 2025, Derrick Beardt – a cornerstone of RCI for the past 21 years – was promoted to Rushmore Electric's operations department as the SCADA Communications Manager. While Derrick's title may have changed, he remains the most influential component in the operational viability of both Rushmore's SCADA communications system and our member cooperative's automated metering infrastructure communications systems. His uncanny attention to detail and constant surveillance of the radio systems' operational functionality ensure comm-related issues are identified and resolved quickly and efficiently 24/7, 365 days a year.

The scope of projects completed throughout 2025 were vast, touching every corner of our membership. Highlights include: a full control house equipment and wire installation at Black Hills Electric's Moon Meadows Substation; two major microwave link replacements, the Eagle Butte WAPA Sub-to-Firesteel Tower link and the link connecting our Cambell Street Tower to our DR site at West River Electric's facility; SCADA access and control integration at various regulator & recloser sites, including a 69kV air-break switch for Moreau-Grand Electric. And, by collaborating on a couple of local West River Electric transmission projects, we helped finalize a fiber ring around Rapid City, creating a vital backup contingency for regional communications.

The vast majority of our time for the past year, however, has been dedicated to the ICS-REC grant. This initiative has allowed us to deploy advanced data encryption technology to enhance cybersecurity for remote devices. By year's end, our team installed dozens of network switches and routers, nearly thirty RTUs, and full radio system replacements for Black Hills and Butte Electric, including commencement of replacement activities dedicated to Cherry-Todd and Lacreek. With more radio systems yet to be addressed for the remainder of our membership, efforts dedicated to this project will extend well into 2026.

From our inception 75 years ago, Rushmore Electric has made it a top priority to assist our membership in developing systems and solutions to ensure operational stability and

reliability. While this year marks a significant milestone weighted heavily with history in every line, the personnel of Rushmore Electric continue our forward pursuit to provide service in every day, just as in any other year.



Rushmore Communications had a busy and successful year.

We started the year by completing Fall River County's new 911 radio dispatch center. We worked hard to ensure they were fully moved into their new facility by the scheduled cutover date.

Throughout the spring and early summer, we installed more than 20 BK mobile radios for regional BIA fire departments, outfitting vehicles ranging from fire trucks to road graders.

In late summer, we had the opportunity to stage equipment in our shop for a large radio system upgrade for MDU. We assisted with multiple facets of the staging process, including rack installations and final system testing. For a week, our shop was full of engineers and technicians completing final tests – it was great to be part of such a significant project.

Over the course of the year, we supplied radios to many of our valued public safety customers and supported our co-ops with their radio needs. We were also proud to secure the State contract to provide BK radios for South Dakota Wildland Fire.

With the help of Jill Siemonsma, we completed a mid-year inventory check and significantly improved our organization and tagging system. As a result, the year-end inventory count went smoothly and efficiently.

We have a great team at RCI, and because of that, we had a great year. We're looking forward to another successful year in 2026.



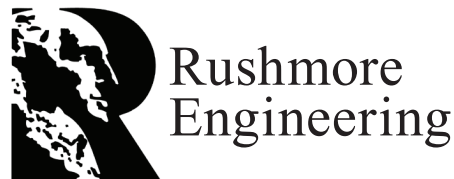
Since 1964, Rushmore Electric Federal Credit Union has been here to assist the Rushmore Group, comprised of rural electric cooperative employees, directors, and their families, with their financial needs. As a member-owned, non-profit institution, the Credit Union was created over six decades ago to support the financial well-being of the rural electric community.

We are a stable and secure financial institution, and we remain committed to helping you, our members, achieve your personal financial goals. In addition to our core

checking, savings, and certificate of deposit accounts, we have expanded our Health Savings Account options to better serve your needs. We invite you to take advantage of our highly competitive loan rates, with easy application options available on our website or through our mobile app. We're excited to announce that contactless Visa credit cards will be available soon, making your payments faster and safer.

Our dedicated team has the privilege of serving nearly 1,500 members with a truly personal touch. That personal focus paid off last year as we returned over \$400,000 in dividends directly to you, our members. Together, we ended the year strongly with over \$28 million in assets and over \$7 million in outstanding loans.

We sincerely appreciate your trust and are dedicated to supporting your personal financial needs. We are proud of our long-term relationship with Rushmore Electric Power Cooperative and with all of our individual electric cooperative members. We are dedicated to continuing our tradition of excellent service every day. Thank you for your ongoing partnership!



In 2025, grant work continued on GRIP 1 and GRIP 2 awards. The GRIP 1 award made great strides as we work towards the go-ahead to order material and begin construction. Collaboration with DOE continued for GRIP 2 as we finalized the narrative and budgets for our Fire Mitigation proposal.

Some other major projects in 2025 include construction work plans for Butte Electric, Cherry-Todd Electric, Lacreek Electric, and West River Electric. Along with the work plan activities, environmental reports for over 50 projects were completed with RUS. Several substation designs were undertaken, including Ironwood Substation, Merritt Substation, Moon Meadows Substation, and Whitlock Substation. In addition, a transmission line design commenced for Butte Electric.

Load management had a successful 2025, achieving record savings of \$3.4 million. In November, Omnitech was hired to update the Load Management software. Progress has been going well, and we are excited for the final product.

The GIS department continues to stay busy working on staking sheets, pole-testing data, map corrections, line-patrol files, new plats, easements, and CAD support for various engineering projects. Also, three new Stakeout clients were added.

Before we go, we would be remiss not to recognize the individuals behind all this effort. It is appreciated all the hard work and dedication the employees of Rushmore Engineering put in day in and day out.

Income Statement

REVENUE	2025	2024
OPERATING REVENUE		
Electric Energy Revenue	88,977,285	80,504,420
Basin Bill Credit	-	-
Tribal Bill Credit	(2,874,849)	(2,584,886)
Delivery Point Credit	-	-
Income - Leased Property - Net	60,844	55,443
Other Operating Revenue and Income	1,541,636	1,499,433
Total Operating Revenue	87,704,915	79,474,410
COST OF ELECTRIC SERVICE		
OPERATING EXPENSES		
Purchased Power	84,693,608	76,352,764
Basin Bill Credit	-	-
Tribal Bill Credit	(2,874,849)	(2,584,886)
Delivery Point Credit	-	-
Transmission	177,329	118,728
Consumer Accounts	-	-
Consumer Service and Information	190,423	193,785
Operating Expenses - Sales	1,551,908	1,547,749
Administration and General	3,153,142	3,054,700
Total Operating Expenses	86,891,560	78,682,840
OTHER EXPENSES		
Maintenance	233,165	215,536
Depreciation	382,690	478,824
Taxes	118,552	108,849
Interest on Debt	-	-
Other Deductions	8,666	11,486
Total Other Expenses	743,073	814,695
TOTAL COST OF ELECTRIC SERVICE	87,634,633	79,497,535
OPERATING MARGINS	70,282	(23,125)
OTHER REVENUE AND EXPENSE		
G & T Capital Credits (Basin Electric)	3,981,319	4,538,800
Interest Income	206,455	231,172
Other Capital Credits	12,987	6,483
Other Non-Operating Income	23,710	3,600
TOTAL OTHER REVENUE AND EXPENSE	4,224,471	4,780,056
NET ELECTRIC MARGINS	4,294,753	4,756,930
Unallocated Margins - RCI	51,948	(29,847)
TOTAL MARGINS	4,346,701	4,727,083

Balance Sheet

ASSETS & OTHER DEBITS	2025	2024
Utility Plant in Service		
Electric Plant in Service	10,210,202	10,204,426
Construction Work in Progress	768,079	578,913
Less: Accumulated Depreciation	(9,037,237)	(8,648,197)
Net Utility Plant	1,941,044	2,135,142
Investments and Other Property		
Patronage Capital	65,513,967	64,284,622
Investment in Subsidiary	470,124	518,176
Other Investments	3,467,165	4,532,244
Total Investments and Other Property	69,451,256	69,335,042
Current and Accrued Assets		
Cash - General Funds	810,746	248,899
Temporary Investments	2,041,517	10,436
Notes Receivable - Net	145,310	145,310
Accounts Receivable	7,934,904	6,691,360
Accounts Receivable - Other	178,134	258,774
Prepayments	326,048	270,163
Other Current & Accrued Assets	37,116	45,200
Total Current and Accrued Assets	11,473,775	7,670,141
Other Assets		
Unamortized Debt Discounts	-	-
Other Deferred Debits	13,423	14,156
TOTAL ASSETS & OTHER DEBITS	82,879,498	79,154,481
LIABILITIES & OTHER CREDITS		
Margins and Equities		
Membership Fees	800	800
Patronage Capital	65,418,581	63,674,151
Unallocated Margins RCI	477,336	507,183
Operating Margin (Current Year)	70,282	(23,125)
Non-Operating Margin (Current Year)	4,276,418	4,750,209
Other Margins and Equities	-	-
Total Margins and Equities	70,243,418	68,909,218
Accumulated Provision for Pensions	252,664	247,179
Current and Accrued Liabilities		
Long-Term Debt	-	-
Notes Payable - Net	145,310	145,310
Accounts Payable	7,313,380	6,500,605
Taxes Accrued	-	(15,232)
Other Current and Accrued Liabilities	3,110,376	158,926
Total Current and Accrued Liabilities	10,569,065	6,789,609
Deferred Credits	8,872	12,068
Deferred Revenue	1,805,479	3,196,408
TOTAL LIABILITIES & OTHER CREDITS	82,879,498	79,154,481

COST OF POWER SOLD TO MEMBERS

2015	5.52
2016	6.16
2017	6.39
2018	6.07
2019	6.02
2020	5.98
2021	5.85
2022	6.01
2023	5.81
2024	6.12
2025	6.69

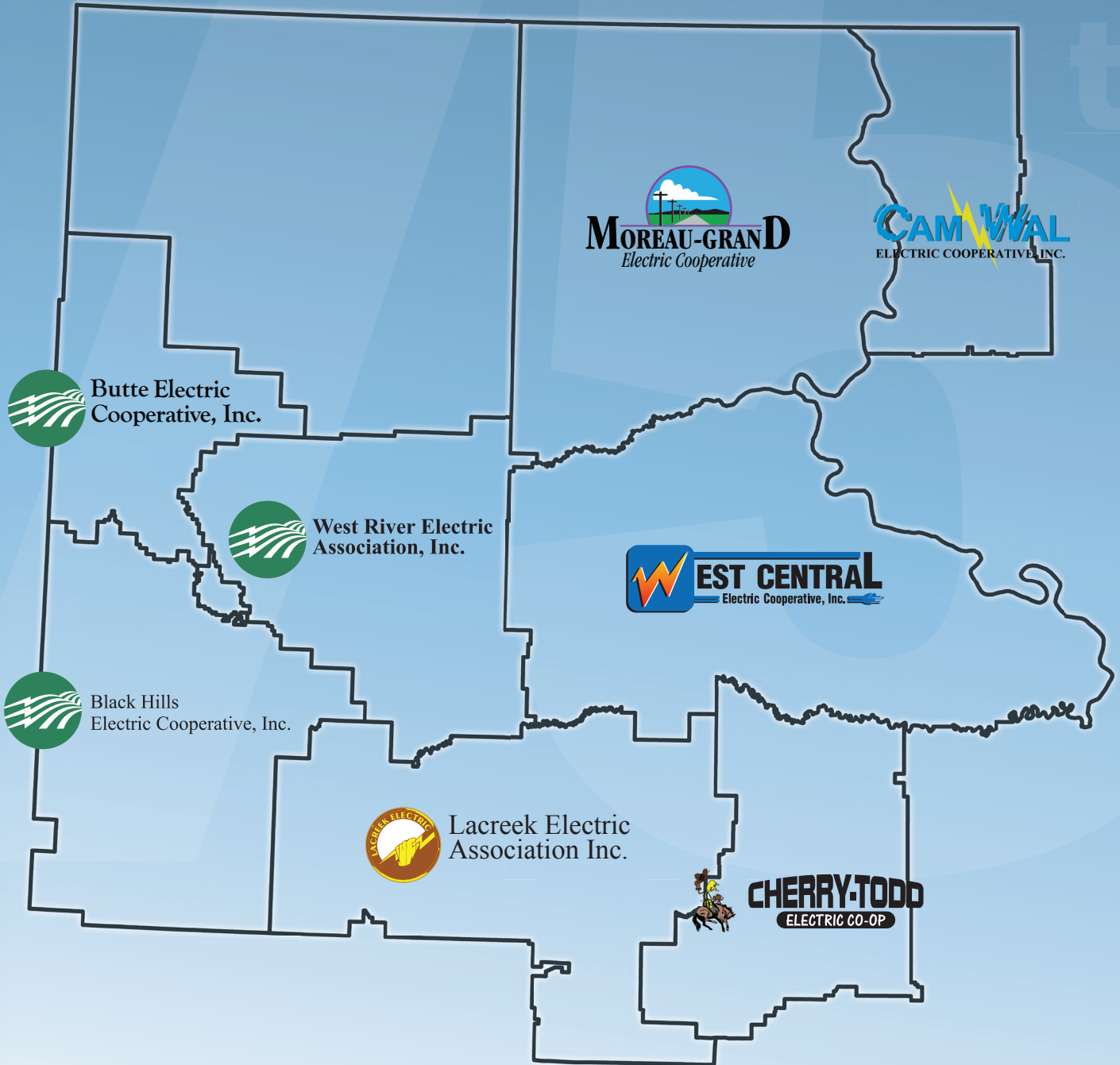
HISTORIC ENERGY SALES

2015	1,104,166
2016	1,113,203
2017	1,151,273
2018	1,190,316
2019	1,202,331
2020	1,188,369
2021	1,218,697
2022	1,295,533
2023	1,231,598
2024	1,266,931
2025	1,281,380



Rushmore Electric Power Cooperative, Inc.

Your Touchstone Energy® Cooperative 



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These institutions are equal opportunity providers and employers.